



### European Union

After publishing in June, 2006 a study on commercial egg laying hen operations with at least 1,000 hens in the 25 European Union (EU) 25 countries, and Norway the European Food Safety Authority (EFSA) found a range of salmonella in hens ranging between 0-79%. The lowest levels were found in Luxembourg and Sweden while the highest rates, ranging from 52-80%, were found in Portugal, Poland and the Czech Republic. Test results also showed that 20% of all samples taken from operations with at least 1,000 hens in the EU tested positive for either or both Salmonella Enteritidis and Salmonella Typhimurium.

A ramification of the survey was the adoption by the European Commission of two regulations aimed at reducing and controlling the prevalence of Salmonella in poultry and eggs across the EU. The first regulation lays down targets for the reduction of Salmonella in laying hens, which in turn should lead to less Salmonella contamination in eggs. Every member of the EU will have to work towards reducing the number of laying hens infected with Salmonella by a specific minimum percentage each year. Steeper targets will be set for EU members with higher levels of Salmonella. The ultimate target is to achieve a reduction in Salmonella levels to 2% or less. The reductions have been endorsed by the Member State Expert in the Standing Committee on the Food Chain and Animal Health.

Under the Regulation, the following annual percentage reduction targets are set for *Salmonella* in laying hens:

- 10% reduction if the prevalence of Salmonella in the preceding year was below 10%
- 20% reduction if the prevalence of Salmonella in the preceding year was 10-19%
- 30% if the prevalence of Salmonella in the preceding year was 20-39%
- 40% if the prevalence of Salmonella in the preceding year was over 40%

The first target deadline is set for 2008, although member states will have to submit national Salmonella reduction control programs in laying hens to the European Commission by early 2007. The regulation took effect August 1, 2006 and members have 6 months from that date to submit national control programs for approval and EU funding. Similar targets have already been set at the EU level on breeding hens and are being considered on broiler hens, turkeys and certain types of pigs for implementation sometime in the future.

Under the Zoonoses Regulation, it is foreseen from 2010 onward that eggs from salmonella infected flocks will be banned completely from being sold as table eggs in the EU. The eggs from the contaminated flocks will have to go through a sterilization procedure if they are to be used for processing into egg products. The European Commission has also found generally strong support of accelerating the implementation of some sort of marketing or trade ban on salmonella infected flocks and currently options are under review.

The European Commission approved another regulation that set out the rules for certain control measures used to reduce Salmonella in poultry, notably vaccines and anti microbials. From January 1, 2008, all Member States with Salmonella prevalence above 10% will have to vaccinate their laying hens against salmonella to reduce the spread of the disease and contamination of eggs. The vaccinations must be authorized at the EU level and be distinguishable from field bacteria during sampling and testing. A holding may be exempted from this vaccination requirement provided satisfactory preventive measures have been applied or there has been no incidence of Salmonella on the holding the previous 12 months.

The EFSA has recommended that use of antimicrobials for Salmonella control in livestock be discouraged due to public health risks associated with development, selection and spread of antimicrobial resistance. Also, if poultry is treated with antibiotics it makes the detection of Salmonella difficult. As a result, antimicrobials should only be used in national control programs for Salmonella in very limited circumstances.

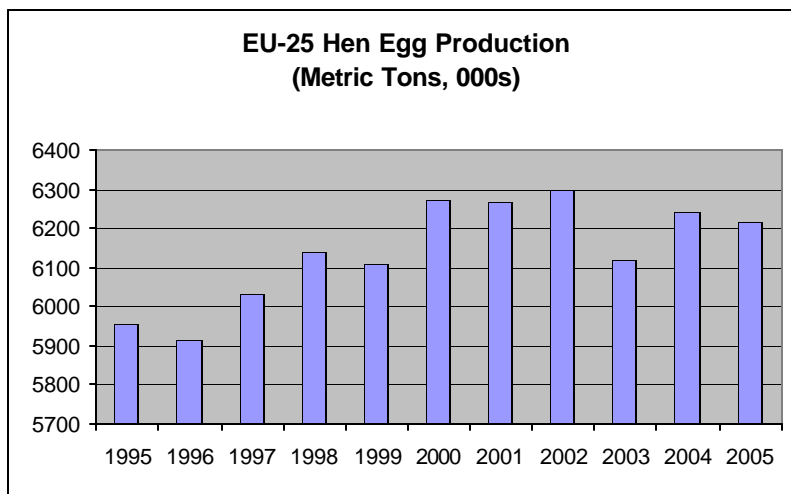
Even though European legislation has limited the quantity of antimicrobials used in food products and restricted their application base, it is anticipated usage will grow. The EFSA has recently approved the use of 4 antimicrobials to improve hygiene and processing procedures in chicken processing plants. Meanwhile the European Commission has approved 2 vaccines to be used

Sources: European Commission and various news sources

**European Union Production Summary**  
(Includes 25 Member countries for all years)  
(Metric Tons, 000s)

Commodity	2001	2002	2003	2004	2005	2006(f)
Hen Eggs 1/	6,269	6,297	6,121	6,244	2,216	
Broiler 2/	7,883	7,788	7,512	7,627	7,625(p)	7,540
Turkey 2/	2,098	2,102	2,025	2,030	1,945(p)	1,865

1/ FAOSTAT Data  
2/ USDA/FAS Data  
(p) preliminary  
(f) forecast



Source: FAOSTAT

**INSPECTED EGG PRODUCTS-****U.S. & CANADA IMPORT/EXPORT TRADE****U.S. Exports to Canada, in Pounds (000) (Preliminary)**

Week Ending September 09, 2006	Year-To-Date			
TYPE	2006	2005 1/	2006 2/	2005
Liquid	97	398	7,022	12,610
Frozen	0	0	172	42
Dried	40	0	450	488
Total	137	398	7,644	13,140

**U.S. Imports From Canada, in Pounds (000) (Preliminary)**

Week Ending September 09, 2006	Year-To-Date			
TYPE	2006	2005 1/	2006 2/	2005
Liquid	46	88	2,518	5,011
Frozen	0	48	766	559
Dried	0	0	66	371
Total	46	136	3,350	5,941

**Inspected Shell Eggs****U.S Exports To Canada, In 30-Dozen Cases (Preliminary)**

Week Ending September 09, 2006	Year-To-Date			
TYPE	2006	2005 1/	2006 2/	2005
Jumbo	0	0	150	129
Extra Large	2,370	4,560	62,151	163,648
Large	3,440	5,020	117,741	281,391
Medium	1,230	3,183	64,572	90,562
Ungraded	1,440	11,310	89,548	88,150
Misc	0	0	6,195	8,053
Total	8,480	24,073	340,357	631,933

1/ Comparable Week, to-date figures may not total due to rounding.

2/ Includes revisions to previous week(s).

Data Source: Agriculture and Agri-Food Canada, AISD, AID, Poultry Section

Source: USDA/AMS Poultry Programs, Market News Branch.

**U.S./CANADIAN LIVE POULTRY SLAUGHTERED UNDER INSPECTION**

W/E 9-Sep-06 (PRELIMINARY)

**U.S. Fowl Slaughtered Domestically**

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	876	1,242	2,118
Last Week	931	1,557	2,488
Same week yr ago	1,035	1,042	2,077
To-date/2006	39,594	53,247	92,841
To-date/2005	53,462	50,937	104,399

**U.S. Fowl Slaughtered in Canada**

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	85	0	85
Last Week	50	0	50
Same week yr ago	326	0	326
To-date/2006	5,861	23	5,884
To-date/2005	9,559	40	9,599

Data Source: Agriculture and Agri-Food Canada, AISD, AID, Poultry Section

**Total U.S. Fowl slaughtered in the U.S. and Canada**

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	961	1,242	2,203
Last Week	981	1,557	2,538
Same week yr ago	1,361	1,042	2,403
To-date/2006	45,455	53,270	98,725
To-date/2005	63,021	50,977	113,998

Source: USDA/AMS Poultry Programs, Market News Branch

**CENTRAL REGION MECHANICALLY SEPARATED CHICKEN**

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE CENTRAL REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

September 15, 2006

**CHICKEN WITH SKIN ADDED**

--- PRICES ---

---- VOLUME ----

FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	-	18.00	20,400	-
WTD AVERAGE		18.00		
15-20%				
RANGE	16.00-18.50	14.00-17.00	1,000,400	490,400
WTD AVERAGE	17.85	15.11		
20% OR MORE				
RANGE	-	-	-	-
WTD AVERAGE				

\* INCLUDES THE STATES of AL, AR, IA, IL, IN, KS, KY, LA, MI, MN, MO, MS, ND, NE, OK, OH, SD, TN, TX, WI

**EASTERN REGION MECHANICALLY SEPARATED CHICKEN**

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE EASTERN REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

September 15, 2006

**CHICKEN WITH SKIN ADDED**

--- PRICES ---

---- VOLUME ----

FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	17.50	17.00-18.00	488,000	208,000
WTD AVERAGE	17.50	17.29		
15-20%				
RANGE	15.50-21.00	13.00-17.00	1,796,000	860,000
WTD AVERAGE	18.57	15.08		
20% OR MORE				
RANGE	-	14.00	80,000	-
WTD AVERAGE		14.00		

\* INCLUDES THE STATES of CT, DE, FL, GA, MA, MD, ME, NC, NH, NJ, NY, PA, RI, SC, VA, VT, WV

**NATIONAL YOUNG TURKEY PARTS** INCLUDING BULK MEAT and FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 15 SEPTEMBER 2006.

The market tone was steady to fully steady on tom necks, fully steady on tom drums and steady on tom wings. Demand was fair at best on tom wings, moderate to good on necks and drums. Offerings of necks and drums were light, wings adequate. Fresh scapula traded at 142; frozen breast pieces at 215 to 221; frozen mechanically separated turkey under 60 days age 17; and plant grade basted 18-20 pound bone-in breasts at 185. For export: Frozen tom breast meat 280; fresh tom drums 39; fresh thigh meat 83; tom necks 40; Russian frozen thigh meat 105; and tom gizzards 66 for September-October shipments.

<b>EXPORT TRADING</b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>	<b>WEEKLY</b>	<b>WEEKLY</b>
<b>FRIDAY, SEPTEMBER 15, 2006</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>	<b>PRICE</b>	<b>VOLUME</b>
DRUMSTICKS, TOMS		R	40.00	120	40.25	160
WINGS FULL-CUT - TOMS		T	58.00	52	58.00	52
WINGS, V-TYPE, TOM	58.00		58.00	80	58.00	80
TAILS		W	31.00	104	31.43	184
MECHANICALLY SEPARATED 2/	19.00		19.00	40	19.88	328
THIGH MEAT - FROZEN	86.00-92.50		88.17	240	85.94	680

<b>EXPORT TRADING</b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>
<b>THURSDAY, SEPTEMBER 14, 2006</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>
DRUMSTICKS, TOMS	40.00		40.00	120
WINGS FULL-CUT - TOMS		T	58.00	52
WINGS, V-TYPE, TOM				
TAILS		W	31.00	104
MECHANICALLY SEPARATED 2/		W	20.00	288
THIGH MEAT - FROZEN	86.00		86.00	160

<b>EXPORT TRADING</b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>
<b>WEDNESDAY, SEPTEMBER 13, 2006</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>
DRUMSTICKS, TOMS		T	41.00	40
WINGS FULL-CUT - TOMS		T	58.00	52
WINGS, V-TYPE, TOM				
TAILS	31.00		31.00	104
MECHANICALLY SEPARATED 2/	20.00		20.00	288
THIGH MEAT - FROZEN		T	84.50	80

<b>EXPORT TRADING</b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>
<b>TUESDAY, SEPTEMBER 12, 2006</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>
DRUMSTICKS, TOMS	41.00		41.00	40
WINGS FULL-CUT - TOMS	58.00		58.00	52
WINGS, V-TYPE, TOM				
TAILS	32.00		32.00	80
MECHANICALLY SEPARATED 2/		F	20.75	160
THIGH MEAT - FROZEN	83.00-86.00		84.50	80

<b>EXPORT TRADING</b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>
<b>MONDAY, SEPTEMBER 11, 2006</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>
DRUMSTICKS, TOMS		F	39.00	208
WINGS FULL-CUT - TOMS		F	59.00	52
WINGS, V-TYPE, TOM				
TAILS		R	33.50	40
MECHANICALLY SEPARATED 2/		F	20.75	160
THIGH MEAT - FROZEN	83.00-84.00		83.80	200

1/ CODES FOR LAST SIGNIFICANT TRADE (L.S.T.): M=MONDAY T=TUESDAY W=WEDNESDAY R=THURSDAY F=FRIDAY

2/ Product contains 15-20% fat with skin added.